

**STATE RISK MANAGEMENT FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2002**

	September-02					August-02				July-02				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation		Quarter	Month	Market Value	Allocation		Net ROR	Market Value	Allocation		Net ROR	Fiscal YTD	FY02	Ended	Ended
		Actual	Policy	Net ROR	Net ROR		Actual	Policy	Net ROR		Actual	Policy	Net ROR	Net	Net	6/30/2002	6/30/2002
<b>LARGE CAP DOMESTIC EQUITY</b>																	
<i>Structured Growth</i>																	
AllianceBernstein	52,431	1.9%	2.3%	-13.54%	-9.16%	57,995	2.1%	2.3%	2.47%	56,632	2.1%	2.3%	-7.10%	-13.54%	-28.65%	-16.80%	N/A
Russell 1000 Growth				-15.05%	-10.37%				0.30%				-5.50%	-15.05%	-26.49%	-16.15%	N/A
<i>Structured Value</i>																	
LSV	56,818	2.1%	2.3%	-18.60%	-11.38%	64,425	2.3%	2.3%	0.35%	64,278	2.3%	2.3%	-8.45%	-18.60%	2.41%	5.40%	N/A
Russell 1000 Value				-18.77%	-11.12%				0.76%				-9.30%	-18.77%	-8.96%	-2.92%	N/A
<i>S&amp;P 500 Index</i>																	
State Street	259,992	9.4%	10.5%	-17.26%	-10.87%	273,552	9.8%	10.5%	0.66%	271,755	9.9%	10.5%	-7.77%	-17.26%	-18.03%	-9.27%	3.58%
S&P 500				-17.28%	-10.87%				0.66%				-7.80%	-17.28%	-17.99%	-9.18%	3.67%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>369,241</b>	<b>13.4%</b>	<b>15.0%</b>	<b>-16.96%</b>	<b>-10.71%</b>	<b>395,972</b>	<b>14.1%</b>	<b>15.0%</b>	<b>0.87%</b>	<b>392,665</b>	<b>14.3%</b>	<b>15.0%</b>	<b>-7.79%</b>	<b>-16.96%</b>	<b>-16.89%</b>	<b>-8.30%</b>	<b>3.74%</b>
S&P 500				-17.28%	-10.87%				0.66%				-7.80%	-17.28%	-17.99%	-9.18%	3.67%
<b>SMALL CAP DOMESTIC EQUITY</b>																	
<i>Manager-of-Managers</i>																	
SEI	129,017	4.7%	5.0%	-19.31%	-7.23%	122,585	4.4%	5.0%	0.75%	121,750	4.4%	5.0%	-13.68%	-19.31%	-11.77%	N/A	N/A
Russell 2000 + 200bp				-20.97%	-7.02%				-0.08%				-14.93%	-20.97%	-7.96%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>129,017</b>	<b>4.7%</b>	<b>5.0%</b>	<b>-19.31%</b>	<b>-7.23%</b>	<b>122,585</b>	<b>4.4%</b>	<b>5.0%</b>	<b>0.75%</b>	<b>121,750</b>	<b>4.4%</b>	<b>5.0%</b>	<b>-13.68%</b>	<b>-19.31%</b>	<b>-11.69%</b>	<b>2.22%</b>	<b>4.32%</b>
Russell 2000				-21.40%	-7.18%				-0.25%				-15.10%	-21.40%	-8.59%	1.67%	4.44%
<b>CONVERTIBLES</b>																	
TCW	267,292	9.7%	10.0%	-10.05%	-4.92%	281,007	10.0%	10.0%	2.18%	262,876	9.5%	10.0%	-7.43%	-10.05%	-20.37%	-2.22%	N/A
First Boston Convertible Index				-8.47%	-2.99%				0.64%				-6.25%	-8.47%	-12.44%	0.11%	N/A
<b>INTERNATIONAL EQUITY</b>																	
<i>Large Cap - Active</i>																	
Capital Guardian	-	0.0%	0.0%	-20.58%	N/A	-	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	-20.58%	-12.10%	-2.96%	2.87%
MSCI EAFE - 50% Hedged				-20.02%	N/A				N/A				N/A	-20.02%	-14.62%	-7.32%	-1.89%
<b>DOMESTIC FIXED INCOME</b>																	
<i>Core Bond</i>																	
Western Asset	733,279	26.6%	25.0%	3.51%	0.92%	732,611	26.2%	25.0%	2.55%	739,228	26.8%	25.0%	0.00%	3.51%	8.36%	8.53%	7.80%
Lehman Aggregate				4.58%	1.62%				1.69%				1.21%	4.58%	8.62%	8.10%	7.57%
<i>Index</i>																	
Bank of ND	410,753	14.9%	15.0%	5.96%	2.23%	392,965	14.0%	15.0%	2.27%	397,371	14.4%	15.0%	1.36%	5.96%	8.38%	7.79%	7.42%
Bank of ND CD'S	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.55%	5.48%
<b>Total Index</b>	<b>410,753</b>	<b>14.9%</b>	<b>15.0%</b>	<b>5.96%</b>	<b>2.23%</b>	<b>392,965</b>	<b>14.0%</b>	<b>15.0%</b>	<b>2.27%</b>	<b>397,371</b>	<b>14.4%</b>	<b>15.0%</b>	<b>1.36%</b>	<b>5.96%</b>	<b>8.14%</b>	<b>7.66%</b>	<b>7.30%</b>
Lehman Gov/Corp				5.70%	2.15%				2.24%				1.20%	5.70%	8.24%	7.86%	7.47%
<i>BBB Average Quality</i>																	
Strong	290,730	10.6%	10.0%	3.08%	1.48%	288,988	10.3%	10.0%	3.46%	289,116	10.5%	10.0%	-1.82%	3.08%	N/A	N/A	N/A
Lehman US Credit BAA				2.70%	1.43%				3.56%				-2.23%	2.70%	N/A	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>1,434,763</b>	<b>52.1%</b>	<b>50.0%</b>	<b>4.11%</b>	<b>1.40%</b>	<b>1,414,563</b>	<b>50.5%</b>	<b>50.0%</b>	<b>2.66%</b>	<b>1,425,715</b>	<b>51.7%</b>	<b>50.0%</b>	<b>0.01%</b>	<b>2.67%</b>	<b>7.55%</b>	<b>7.88%</b>	<b>7.42%</b>
Lehman Gov/Corp				5.70%	2.15%				2.24%				1.20%	5.70%	8.24%	7.86%	7.47%
<b>CASH EQUIVALENTS</b>																	
Bank of ND	554,810	20.1%	20.0%	0.48%	0.16%	587,443	21.0%	20.0%	0.16%	552,067	20.0%	20.0%	0.17%	0.48%	2.41%	4.76%	4.99%
90 Day T-Bill				0.45%	0.16%				0.14%				0.15%	0.45%	2.63%	4.68%	4.84%
<b>TOTAL RISK MANAGEMENT FUND</b>	<b>2,755,122</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-2.34%</b>	<b>-1.65%</b>	<b>2,801,569</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1.77%</b>	<b>2,755,073</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-2.42%</b>	<b>-2.34%</b>	<b>-2.68%</b>	<b>0.05%</b>	<b>3.24%</b>
<b>POLICY TARGET BENCHMARK</b>				<b>-1.82%</b>	<b>-1.18%</b>				<b>1.30%</b>				<b>-1.92%</b>	<b>-1.82%</b>	<b>0.31%</b>	<b>1.44%</b>	<b>4.45%</b>

NOTE: Monthly returns and market values are preliminary and subject to change.